

Income Eligibility Verification System
Annual Report
2011-12 Fiscal Year



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Secretary

Executive Summary

Act 22 of 2011 established requirements relating to the Department of Public Welfare’s Income Eligibility Verification System. As required under the act, section 432.2 requires all applicants and recipients of assistance to cooperate with the Department in providing and verifying information necessary to determine the initial or continued eligibility assistance. The Department shall determine all elements of eligibility based upon the circumstances that exist at the applicant’s or recipient’s place of residence prior to awarding assistance and periodically, not less than every six months.

Various activities supporting Act 22 occurred through the 2011/12 fiscal year. Activities associated with validating and acting upon information previously received from third party exchange sources resulted in a State cost savings and avoidance of \$29,636,693 with a total savings and avoidance that includes Federal matching funds of \$66,809,497. The detail related to each of the applicable exchanges is provided in Appendix A and B. Planning activities to establish additional exchanges, as required under Act 22, have been completed. The additional exchanges will provide additional information sources to be utilized to determining eligibility or ensuring continued eligibility for benefit programs administered by the Department of Public Welfare. Data exchanges that are currently non-existent are planned for the future based upon the number of activities, and the time needed to establish formal agreements with the participating data source organizations. The planned implementation schedule is listed in Appendix C and provided below.

Data Exchange Hits

Every day the Department of Public Welfare receives tens of thousands of matches of information from third party sources and then the system reviews and validates the information received automatically through its robust and enhanced data exchanges systems as required by Act 22. This review and reconciliation ensures that public benefits are authorized appropriately for the millions Pennsylvanians we serve. When there are red flags or information that doesn’t comport with our eligibility rules and procedures our systems generate a “hit.”¹ In Fiscal Year 2011-12 the Department received a total of 8,162,997 hits across all third party data exchanges. When “red flags” or “hits” occur, the Department then forwards these “hits” to operations staff who thoroughly review the information in relation to the eligibility for benefits. Of the more than eight million “hits” in 2011-12, operations staff reviewed 7,653,042 hits culminating in either approval of the information, reduced benefit amounts based on accurate information or case closures. At the end of the 2011-12 fiscal year we were reviewing the remaining 509,955

¹ When information is received from an exchange source, such as wages, and it matches a recipient, a hit is generated and sent to the dashboard of a caseworker to review and take appropriate action. Once the review is completed and appropriate actions are taken, the caseworker disposes the hit by indicating the result of the review. The caseworker enters a disposition code, such as no action required or benefit reduced, and the pending hit is then removed from their dashboard. The hits and dispositions are tracking mechanisms to help manage the workload and produce outcome metrics.

matches of the information that came in later in the fiscal year. Appendix A shows the information on all red flag generated “hits” for the 2011-12 fiscal year.

Case Closures & Cost Savings

DPW must be a steward of public resources and ensure that only those eligible are in fact receiving a public benefit. Through third party data exchanges enhanced by requirements of Act 22, the Department closed cases for clients that were deemed ineligible saving millions of dollars of tax payer funds.

There were a total of 23,675 cases closed during the 2011/12 fiscal year for information received through the data exchanges related specifically to case closures. The total Federal and State combined cost savings was \$66,809,497 with the State portion totaling \$29,636,693. There were 14,436 cases closed for wage information representing a State cost savings of \$18,339,918. There were 2,813 cases closed for unemployment compensation information representing a State cost savings of \$3,136,891. There were 1,787 cases closed for Bendex information representing a State cost savings of \$1,663,641. There were 272 cases closed for IRS unearned income information representing a State cost savings of \$453,184. There were 398 cases closed for IRS tax information representing a State cost savings of \$421,184. There were 2,625 cases closed for information received through the State Data Exchange (SDX) representing a State cost savings of \$1,417,901. There were 22 cases closed due to Medicare Buy-in information representing a State cost savings of \$26,994. There were 3,919 individuals closed due to deceased information representing a State cost savings of \$2,775,595. There were 162 cases closed due to PARIS information representing a State cost savings of \$239,732. There were 1,139 cases closed for criminal justice information representing a State cost savings of \$1,134,479. There were 31 cases closed due to lottery information representing a State cost savings of \$27,173. The case closure information with the corresponding savings and Act 22 reference is provided in Appendix B.

Exchange Upgrade Schedule

While Act 22 mandated many enhancements to data exchanges in 2011-12, the Department has scheduled additional upgrades for the future (See Appendix C).

Section 432.23(1) relating to IRS unearned income is currently received monthly and matched with applicants and newly authorized recipients to be used in determining eligibility. A new real-time process is targeted for a September 2013 implementation.

Section 432.23(2) relating to Wage information is currently received daily and quarterly from the PA Dept of Labor and Industry and matched with applicants and recipients to be used in determining eligibility. A new real-time process is targeted for a July 2015 implementation.

Section 432.23(2) relating to Unemployment Compensation is currently received daily and monthly from the PA Dept of Labor and Industry and matched with applicants and recipients to be used in determining eligibility. A new real-time process is targeted for a July 2015 implementation.

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Section 432.23(3) & (11) relating to Earnings information is currently received daily from the IRS through Social Security and matched with applicants and recipients to be used in determining eligibility. A new real-time process is targeted for an April 2013 implementation.

Section 432.23(4) relating to Immigration information is currently received through on-demand inquiries into the Homeland Security SAVE site to validate immigration status of applicants and recipients. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(5) relating to information on Deceased Persons is currently received weekly from Social Security and Managed Care Organizations and matched with applicants and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a Sept 2013 implementation.

Section 432.23(5) relating to information on Deceased Persons is currently received monthly from the PA Dept of Health and matched with applicants and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a Sept 2013 implementation.

Section 432.23(6) relating to information on County Prison Incarcerations is currently received monthly from the County Dept of Corrections and matched with applicants and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(6) relating to information on State Prison Incarcerations is currently received monthly from the PA Dept of Corrections and matched with applicants and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(6) relating to information on Court Cost, Fines & Restitution is currently received weekly from the Administrative Office for PA Courts and matched with applicants and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(6) relating to information on Prisoner Verification is currently received daily from Social Security and matched with applicants and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(6) relating to information on Parole Violators is currently received daily from the Probation & Parole Office and matched with applicants and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(7) relating to information on Subsidized Housing is currently non-existent. A request to establish an exchange has been submitted to the U. S. Dept of Housing and Urban Development, and new real-time process is targeted for a July 2014 implementation.

Section 432.23(8) relating to information on Federal Incarcerations and Fleeing Felons is currently non-existent. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(9) relating to information on Wages from Contiguous States is currently non-existent. A new real-time process is targeted for a Dec 2015 implementation.

Section 432.23(10) relating to information on Bendex is currently received daily and annually from Social Security and matches SSA cash entitlement, Railroad Retirement, Medicare and SSI status with applicants and recipients to be used in determining eligibility. A new real-time process is targeted for an April 2013 implementation.

Section 432.23(12) relating to information on State New Hires is currently received on a daily basis and matched with applicants and recipients to be used in determining eligibility. A new real-time automated process is targeted for a July 2015 implementation.

Section 432.23(13) relating to information on National New Hires is currently received on a monthly basis from ACF and is matched with applicants and recipients to be used in determining eligibility. The distribution process is manual, and a new real-time automated process is targeted for an April 2013 implementation.

Section 432.23(14) relating to information on State New Hire information is currently received on a monthly basis providing updates to SSI payments and cost of living adjustments. A new real-time automated process is targeted for an April 2013 implementation.

Section 432.23(15) relating to information on Interstate PARIS recipients is currently received on a quarterly basis and matched with applicants and recipients to determine overlapping benefit receipt from other states. A new real-time automated process is targeted for a July 2015 implementation.

Section 432.23(15) relating to information on Veterans Pension recipients is currently received from the Veteran's Administration on an annual basis and matched with applicants and recipients to determine receipt of VA benefits. A new real-time automated process is targeted for a July 2015 implementation.

Section 432.23(16) relating to Child Care Subsidy payments is currently non-existent. A new real-time automated process to update applicant and recipient information is targeted for a Dec 2015 implementation.

Section 432.23(17) relating to LIHEAP payments is being done through the statewide rollout of an integrated eligibility system. LIHEAP payment information is provided for all applicants and recipients during the eligibility process.

Section 432.23(18) relating to information on PA License, Permit or Certificate holders is currently non-existent. A new real-time process is targeted for a Dec 2015 implementation.

Section 432.23(19) relating to information on individuals under imposed sanctions for non-compliance with requirements is currently provided through on-demand inquiries. A new real-time process is targeted for a Sept 2013 implementation.

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Section 432.23(19) relating to information on individuals Disqualified from program participation is currently provided on a daily basis from the Office of Inspector General matches applicant and recipients to prevent authorization or terminate benefits. A new real-time process is targeted for a Sept 2013 implementation.

Section 432.23(19) relating to information Out-of State EBT transactions is currently provided through on-demand inquires. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(19) relating to PA Driver license information is currently provided through on-demand inquires. A new real-time process is targeted for a Sept 2013 implementation.

Section 432.23(19) relating to Vehicle information is currently non-existent. A new real-time process is targeted for a July 2014 implementation.

Section 432.23(19) relating to Lottery information is currently provided on a monthly basis and matched with applicants and recipients to be used during the eligibility process. A new real-time process is targeted for a July 2015 implementation.

Section 432.23(19) relating to Bank Account information is currently non-existent. A new real-time process through a third party data source is targeted for a Dec 2015 implementation.

Section 432.23 relating to Medicare Buy-in information is currently received daily and monthly from the Centers for Medicare and Medicaid Services for enrollment or disenrollment of applicants or recipients in Medicare. A new real-time process is targeted for a Sept 2013 implementation.

Section 432.1 relating to a Fraud Detection System is non-existent. A new real-time matching process with a Fraud and Error Repository is targeted for a Sept 2013 implementation.

Section 432.2(B) relating to verification of individual information is currently completed on a daily basis through SSN verification with SSA. A new real-time process is targeted for an April 2013 implementation.

Section 432.2(B) relating to verification of identity information is currently completed through a manual process. A new real-time process through a third party data source is targeted for an April 2013 implementation.

Appendix A Data Exchange Hits

Data Exchange Hits					
July 1, 2011 - June 30, 2012					
Exchange#	Exchange Name	# of Current Hits	# of Disposed Hits	Total hits	%
1	Wage	286,219	4,217,861	4,504,080	55%
2	Unemployment Compensation	104,418	1,761,942	1,866,360	23%
3	Master Benefit Record	58,529	753,049	811,578	10%
4	Bendex Electronic Reference File	8,694	53,133	61,827	1%
5	Unearned Income	5,902	90,543	96,445	1%
6	State Data Exchange	32,600	414,033	446,633	5%
7	Buy-In	572	209,520	210,092	3%
8	Deceased Person match	1,018	19,969	20,987	0%
9	Interstate	3,530	42,218	45,748	1%
11	Criminal Judiciary Inquiry System	6,899	77,898	84,797	1%
12	Lottery	1,574	12,876	14,450	0%
	Total	509,955	7,653,042	8,162,997	100%

Appendix B Case Closures

Data Exchange	Act 22 Reference	Cases Closed	% Closed	Individuals Closed	State & Federal Savings	State Cost Savings
1. Wage	Section 432.23(2) & (12)	14,436	61%	24697	\$41,343,367	\$18,339,918
2. Unemployment Compensation	Section 432.23(2)	2,813	12%	4274	\$7,071,441	\$3,136,891
3. BENDEX	Section 432.23(10)	1,787	8%	2321	\$3,750,318	\$1,663,641
4. ERF	Section 432.23(3)&(11)	272	1%	658	\$1,021,605	\$453,184
5. IRS	Section 432.23(1)	398	2%	578	\$949,468	\$421,184

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6. State Data Exchange (SDX)	Section 432.23(14)	2,625	11%	1847	\$3,196,350	\$1,417,901
7. Buy-In	Section 432.23	22	0%	23	\$60,853	\$26,994
8. Deceased Persons Match	Section 432.23(5)	3,919		3919	\$6,256,978	\$2,775,595
9. PARIS	Section 432.23(15)	162	1%	247	\$540,423	\$239,732
10. Criminal Justice Data Exchanges (AOPC, DOCC, NCIC, PBPP)	Section 432.23(6)	1,139	5%	1383	\$2,557,438	\$1,134,479
11. Lottery	Section 432.23(19)	31	0%	39	\$61,256	\$27,173
Totals:		23,675	100%	39986	\$66,809,497	\$29,636,693

Appendix C

Act 22 HB960 Reference	Exchange Name	Incoming Source Agencies	Frequency	Exchange Overview	Current Process to Receive Source Information	New Process to Receive Source Information & Implementation Date
Section 432.23(1)	Unearned Income	IRS	Monthly	Unearned Income file is matched with applicants and newly authorized recipients, and provided monthly by the IRS.	After Hours File Transfer	Real-Time Sept 2013
Section 432.23(2)	Wage	DL&I (Wage)	Daily / Quarterly	Daily wage files from DLI are matched with applicants and recipients to notify CAO and CHIP workers.	After Hours File Transfer	Real-Time July 2015

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Section 432.23(2)	UC	DL&I(UC)	Daily / Monthly	Daily UC files from DLI are matched with applicants to notify CAO and CHIP workers. Monthly, all active recipients are matched with UC information.	After Hours File Transfer	Real-Time July 2015
Section 432.23(3)& (11)	BEER Earnings Source Data	IRS via SSA	Daily	Earned incomes (wages) collected by SSA from the IRS are sent daily by SSA to DPW.	After Hours File Transfer	Real-Time April 2013
Section 432.23(4)	Immigration	U.S. Dept of Homeland Security	On-demand Inquiry	Immigration data provided by U.S. Dept of Homeland Security Immigration Services through the SAVE look-up for applicants and recipients to verify immigration status. An automated process is to be developed through PI and Act 22 efforts.	Manual	Real-Time July 2014
Section 432.23(5)	Managed Care/SSA (SVES) Death Info.	MCO's and SSA	Weekly	Daily files indicating deaths are received from the Managed Care	After Hours File Transfer	Real-Time Sept 2013

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				Organizations and the Death Match files received from SSA are matched with applicants and recipients to prevent authorization or terminate.		
Section 432.23(5)	DOH File	DOH	Monthly	Monthly death files from the Dept of Health are matched with applicants and recipients to prevent authorization or terminate.	After Hours File Transfer	Real-Time Sept 2013
Section 432.23(6)	DOCC File	DOCC	Monthly	County Dept. of Corrections matches recipients with County Prison incarcerations for the month and notifies workers of incarcerations.	After Hours File Transfer	Real-Time July 2014
Section 432.23(6)	DOCS File	DOCS	Monthly	State Dept. of Corrections matches all inmates incarcerated in the State Prison system with applicants and recipients to prevent authorization or terminate benefits.	After Hours File Transfer	Real-Time July 2014
Section 432.23(6)	AOPC File	AOPC	Weekly	Administrative Office for Pennsylvania	After Hours File Transfer	Real-Time July 2014

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				Courts provides a weekly file of District Justice actions regarding fines, costs, and restitutions. This data is matched against recipients who are delinquent in paying court related costs and alerts are sent to CAO staff.		
Section 432.23(6)	PVS File	SSA(SVES/TPQY)	Daily	Prisoner Verification System (PVS) data provided by SSA is matched against applicants and recipients to prevent authorization or terminate benefits.	After Hours File Transfer	Real-Time July 2014
Section 432.23(6)	PBPP File	PBPP (JNET)	Daily	Probation and Parole Board - Parole Violations are matched against applicants and recipients to prevent authorization or terminate benefits.	After Hours File Transfer	Real-Time July 2014
Section 432.23(7)	HUD	U.S. Dept of Housing &	Non-existent	Subsidized housing data to	Non-existent	Real-Time July 2014

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		Urban Development		be provided by HUD will be matched against applicants and recipients and used to determine benefits. A request to establish an exchange has been sent to HUD.		
Section 432.23(8)	FBI, Fed Prisons & Fed Sources	JNET	Non-existent	Federal sources will match all inmates incarcerated in the Federal Prison system and fleeing felons with applicants and recipients to prevent authorization or terminate benefits.	Non-existent	Real-Time July 2014
Section 432.23(9)	Contiguous States	Contiguous States	Non-existent	An automated process will be developed through the PI and Act 22 efforts to verify income information of all applicants and recipients with contiguous states to be used during eligibility processes.	Non-existent	Real-Time Dec 2015

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Section 432.23(10)	MBR Bendex	SSA	Daily/ Annual	SSA provides a daily summary of SSA cash entitlement, Medicare A/B status, SSI status, and Railroad Retirement status (RRB). SSA also provides an annual Cost of Living file.	After Hours File Transfer	Real-Time April 2013
Section 432.23(12)	Pa. State New Hire	DL&I (SDNH)	Daily	Daily, DLI sends the Pa. state new hires to DPW. The file is matched with applicants and recipients to notify CAO workers of new employment.	After Hours File Transfer	Real-Time July 2015
Section 432.23(13)	National New Hire	ACF	Monthly	National new hire information is provided monthly to DPW. Caseworkers are notified of potential new employment through a manual process. An automated process will be developed through the PI and Act 22 efforts.	After Hours File Transfer	Real-Time April 2013

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Section 432.23(14)	SDX	SSA	Daily / Annual	SSA provides daily updates for all Pennsylvania SSI clients and annual Cost of Living Adjustments to the SSI.	After Hours File Transfer	Real-Time April 2013
Section 432.23(15)	Interstate (PARIS)	ACF	Quarterly	DPW submits files quarterly for the (PARIS) Project. The Dept. of Defense matches with applicants and recipients that have overlapping periods of eligibility among the states. Alerts are sent to the CAO workers to resolve residency and determine if fraud exists.	After Hours File Transfer	Real-Time July 2015
Section 432.23(15)	Veterans Match	VA	Annual	The quarterly files of applicants and recipients are matched against the Veteran's Administration pension files to notify workers of Veteran's pension income.	After Hours File Transfer	Real-Time July 2015

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Section 432.23(16)	Child Care Subsidy	DPW- Office of Child Development & Early Learning	Non- existent	An automated process will be developed through the PI and Act 22 efforts to update child care subsidy payment information for all applicants and recipients to be used during eligibility processes.	Non-existent	Real-Time Dec 2015
Section 432.23(17)	LIHEAP	DPW- Office of Income Maintenance	Real-Time	An integrated benefit eligibility system is in a statewide rollout that provides LIHEAP payment information for all applicants and recipients and is used during eligibility processes.	Real-Time Integrated Eligibility	
Section 432.23(18)	PA Licensing Board	PA Licensing Board	Non- existent	An automated process will be developed through the PI and Act 22 efforts to verify professional license information of all applicants and recipients to be used during	Non-existent	Real-Time Dec 2015

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				eligibility processes.		
Section 432.23(19)	Sanctions	PA DPW	On-demand Inquiry	An automated process will be developed through the PI and Act 22 efforts to provide sanction information for applicants and recipients and used for eligibility.	Manual	Real-Time Sept 2013
Section 432.23(19)	Disqualified Recipients	PA Office of Inspector General	Daily	Disqualified recipient data provided by OIG for applicants and recipients verifying disqualification status to prevent authorization or terminate benefits.	After Hours File Transfer	Real-Time Sept 2013
Section 432.23(19)	Out of State EBT	TBD	On-demand Inquiry	An automated process will be developed through the PI and Act 22 efforts to verify residency of all recipients completing EBT transactions out-of-state.	Manual	Real-Time July 2014
Section 432.23(19)	PENNDOT	PA Dept of Transportation	On-demand Inquiry	Driver License information is obtained by an inquiry	Manual	Real-Time July 2014

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				through JNET. An automated process will be developed through the PI and Act 22 efforts to verify driver license information of all applicants and recipients to be used during eligibility processes.		
Section 432.23(19)	PENNDOT	PA Dept of Transportation	Non-existent	An automated process will be developed through the PI and Act 22 efforts to verify vehicle information of all applicants and recipients to be used during eligibility processes.	Non-existent	Real-Time July 2014
Section 432.23(19)	Lottery	PA Lottery Commission	Monthly	Lottery data provided by the PA Lottery Commission is matched against applicants and recipients to prevent authorization or terminate benefits.	After Hours File Transfer	Real-Time July 2015
Section 432.23(19)	PA Dept of Revenue	PA Dept of Revenue	Non-existent	An automated process will be developed through the PI	Non-existent	Real-Time July 2015

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				and Act 22 efforts to verify PA Tax information of all applicants and recipients to be used during eligibility processes.		
Section 432.23(19)	Bank Account Info	Third Party Data Source	Non-existent	An automated process will be developed through the PI and Act 22 efforts to verify bank account information of all applicants and recipients to be used during eligibility processes.	Non-existent	Real-Time Dec 2015
Section 432.23	Buy-in Medicare A/B	CMS	Daily/Monthly	Daily, DPW sends enrollments/deletions for Medicare Buy-in to CMS, and CMS sends acknowledgements/rejections to DPW. CMS also sends daily additions based on SSI enrollment they have received from SSA.	After Hours File Transfer	Real-Time Sept 2013
Section 432.1	Fraud & Error Profile	Fraud & Error Repository		An automated process will be developed through the PI		Real-Time Sept 2013

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				and Act 22 efforts establishing a fraud or error profile for all applicants and recipients to be used during eligibility processes.		
Section 432.2(B)	SVES	SSA	Daily	Applicants and recipients are matched daily with SSA for SSN verification and Identity/Citizenship.	After Hours File Transfer	Real-Time April 2013
Section 432.2(B)	Identity Verification	TBD	Non-existent	A real-time automated process will be developed through the PI and Act 22 efforts to verify the identity of all applicants before authorization.	Non-existent	Real-Time April 2013